

Franklinton Board of Commissioners
2010 Planning Retreat
February 17 & 18, 2010
Magnolia Manor Inn
Warrenton, NC

Mayor Elic A. Senter welcomed everyone to the Planning Retreat. He reviewed the agenda and the retreat handbook that all had received and explained the ground rules and logistics for all to follow throughout the retreat. The Board agreed to follow this procedure. Two additional items were added to the Planning Retreat agenda, the Evergreen Cemetery proposal and contract and Drug & Gang Awareness in Franklinton.

Those present were Mayor Elic A. Senter, Commissioners John Allers, Al Barbour, Joe Cutchins Jr., Anita Fuller and Art Wright, and Town Manager Larry Carver. Staff members present for the entire retreat were Public Works Director Raymond Bragg and Zoning Administrator/Planner Tammy Ray. Other department heads that were present during the retreat were Water Plant Superintendent Frank Efirid and Chief of Police John Green.

Day 1

Section 1

Mayor Senter requested the Board review and complete the "Retreat 2008 – A Review Questionnaire". Upon completion of the questionnaire the Board discussed their answers and collectively agreed that visibility, attendance to annual workshops and seminars, cooperation with the County and State which produces partnerships were the different ways in which each Commissioner would continue in order to be an effective Board member.

Each Commissioner explained what they believed as the strengths and weaknesses of the Mayor, Town Manager and various departments of the Town. Overall, each expressed strengths in spending smartly, job knowledge and commitment from Town staff and the Mayor. Mr. Carver said that he believed our strengths to be teamwork and understanding each other's differences. Commissioner Fuller stated that we should continue to deal with each other with integrity. The Board agreed that all needed to continue to learn the operations of the Town. The Board agreed collectively that the greatest weakness was the lack of communication between the Board and the Manager and the staff. They stated that they would like to see more email communication and to start back with a weekly email report from the Manager and Mayor, if possible. Commissioner Cutchins stated that the Board and staff needed to be prepared for new challenges.

The Board agreed that the most important issues facing the Town were the condition of the infrastructure and the cost of having to update and improve it and the lack of industry and commercial establishments. Also, Commissioner Barbour stated that he believed the employees and Commissioners were underpaid and that employees received too many holidays.

Mayor Senter stated that the Economic Development Committee was working towards recommending an incentive program in order to draw businesses and industry to Franklinton. He stated that the EDC would request a workshop with the Board at a later date to be announced. Commissioner Barbour stated that the downtown business district would be better served if the Town could get industry into the area first. Commissioner Cutchins stated that we needed to continue to encourage more retail in the downtown business district.

Section 2

Rate Study

Mr. Carver introduced Mr. Randy Welch with the Rural Water Association and explained that Mr. Welch was there to share with the Board the outcome of the recent water study conducted by Mr. Welch and to suggest where our rates should be set. Mr. Carver also explained that Mr. Welch and the Rural Water Association provides free technical assistance and training to rural water communities such as Franklinton. They mainly serve small Town's with populations under 10,000 and work together with the USDA in helping small Towns apply for grants.

Mr. Welch stated his objective for now was to reveal the water rate study and look at the audit report and discuss recommendations with the Board. He told the Board that all numbers and figures were preliminary and more concrete numbers would be available at a later date. Mr. Welch stated that Town and their citizens needed to look at the sale of water and sewer as a business. He stated that the Commissioners should consider getting away from decrease block rate to an increasing block rate. He agreed that no one wants a rate increase but sales from 2005 to date have decreased. However, the expenditures are still there. Mr. Welch stated once more that everyone should keep in mind that the Town had a product to sell.

Mr. Welch explained to the Board that the enterprise fund's operating revenues were \$1.5m and the expenditures were \$1.6m which is a net loss. Mr. Carver stated that we have been running in the red for two years and stated that we were not going to be able to continue to operate in this fashion for much longer. Mr. Carver said that we are pulling money out of the reserve fund to balance the budget. He further stated that the Local Government Commission requires approximately 8% of expenditures to be set aside as reserve by local governments. Mr. Carver stated that if we continue to pull the same amount of money from our reserves, it will be depleted in 4.5 years.

Mr. Welch explained that in order to conduct a rate study we have to look at the number of connections, annual debt payments, depreciation, project capital expenditures, operational maintenance budget and the number of gallons sold. These factors figured together results in a fixed flat rate fee for in town and out of town water and sewer rates. He explained that the flat rate must cover debt and depreciation. The operating and maintenance budget can be extracted from the flat rate fee and charged as the per 1,000 gallon rate.

The Board requested a comparison from another Town that had successfully used this formula in calculating water and sewer rates. Mr. Welch stated that he would provide the Board with that

information at the next meeting. Also, he reminded the Board that the numbers used were not exact and that he would firm up all numbers and figures and have them prepared for the Board at the next meeting. The Board collectively agreed that it is dedicated to doing the right thing and will definitely make the right decision when all figures have been correctly presented in order to establish a rate structure that will effectively generate the revenue necessary to balance the enterprise fund.

Dam Discussion

Mr. Carver introduced Mr. Bob Bowers an engineer with O'Brien & Gere Engineering Consultants. Mr. Bowers has been consulting with the Town in regards to the Upper Reservoir Dam and the emergency repairs needed to safely stabilize the structure as well as the possibility of upgrading the dam to increase water production. Mr. Carver stated the dam was built in 1968.

Mr. Carver and Mr. Bowers explained that upgrading the dam would require an environmental impact study because for every one acre of swampland disturbed requires a commitment of two acres of wetland available for replacement. If the Town raises the dam eight feet over the original spill way we would for the most part stay within our property. Mr. Carver stated that we would have to obtain some additional property and meet the above stated requirements in regards to wetland mitigation in order to get a price. But it is possible to do if the Board agrees to pursue.

Mr. Carver stated that the reservoir is currently filled with silt and because of this there is a reduction of approximately five feet of water. The engineers are looking at two possible projects, one being the raising of the dam and dredging the existing reservoir.

Mr. Carver asked the Board to consider funding a Preliminary Engineering Report "PER" and an Environmental Assessment "EA" study of the upper reservoir. He stated the PER would cost \$15,000 and the EA would cost \$17,000. He stated that the Town may be able to re-coup the costs of the studies if the Town applies for money to upgrade the dam.

Mayor Senter and the Board agreed to change the ordinance workshop that was already scheduled for March 4th to a special called meeting to discuss going forward with the dam studies. The Board thanked Mr. Bowers for attending the retreat and for the dam information.

Project Finance

Mr. Carver stated that he has requested the Local Government Commission to inform the Town as to the composition of the GEO Bonds. He explained that if the bonds were water debt there was a potential for financing the dam project by refinancing the bonds. He stated that he would return to the Board with the answer to the request as soon as possible.

Mayor Senter stated that he plans to dedicate the next newsletter to the explanation of the Town's budget and finances. The Mayor and Board all agreed that communicating the finances of the Town to the citizens of the Town was important and would strive to relay all information through all available avenues.

Inflow & Infiltration and Flow Meter Project

Mr. Carver referred to the chart labeled "Inflow & Infiltration on Sewer Cost" (enclosed in the Planning Retreat Notebook for reference) when explaining the increase in sewer cost to the Town to treat storm water inflows into the sewer system. The chart displayed increased sewer costs directly related to major rainfall events over the previous 12 months.

Mr. Carver stated that every sewer line that we have had replaced has been beneficial in the reduction of I & I however, there still exists continued inflow into the sewer system. We really do not know exactly where the storm water is currently entering the system. Mr. Carver stated that the Town needs a better approach at investigating I & I in the system. He said that we needed to be able to address NCDENR's concerns when they approach the Town in regards to our overflows. He said that he had approached Mike Acquesta, (engineer used by Town previously) about a flow meter project where flow meters would be placed on the sewer line going into the Regional Pump Station and each would be monitored for infiltration and if none is detected then the meter would be moved further up the line until the system has been completely monitored and each I & I area fixed. This project would monitor flows in areas unstudied.

Mr. Carver stated that the proposal is to pursue a planning grant where \$17,000 would come from the Fund balance and a \$40,000 planning grant would be applied for through the Rural Center. He explained that the proposal includes a find and fix concept that would seek additional funding through the Stimulus Fund. The Mayor and Mr. Carver explained of how other states have funded this kind of concept where a pool of money would be associated with the project and the Town would not use any of the money unless a repair was found.

The Board liked the idea of going forward with the Planning Grant and agreed to approve a resolution at the March meeting. In addition, the Board liked that the Town would utilize two Engineering firms.

Public Works Report

Mr. Bragg said that the biggest complaint that his department gets involves leaf pick up. He explained to the Board that leaf pick up is scheduled but if a water or sewer line breaks most of the time it requires all of his men to take care of the problem. Leaf pick up is then delayed until the next day. He explained that no one is skipped and the crew begins as soon as possible at the place where they stopped at previously. He said that it takes approximately two weeks to complete a leaf round.

Mayor Senter asked if Mr. Bragg or Mr. Carver could communicate with the Board when a delay would take place. He said that would help the Board members in communicating with the citizens when they called to complain about their leaves not being picked up. Mr. Carver stated that the Town needed to develop a better system for leaf and brush pickup.

The Board discussed the different venues of communication for citizens to receive information regarding pick up schedules and delays if any. Everyone agreed that Channel 10 could be utilized to better educate and communicate with area citizens that have cable. The Board

decided that Channel 10 needed to be fixed and additional personnel trained so that the operation of the public access channel continued. In addition, everyone agreed that the newsletter was a great tool for educating the citizens about the way the schedules worked and it was a way to provide information regarding all issues of the Town. Commissioner Wright suggested that the Town run a contest in the newsletter that would allow for the readers to find a hidden object and win a prize. All agreed this was a great way to generate interest in reading the newsletter. Commissioner Fuller suggested that one Commissioner submit an article to be placed in the newsletter for each quarter. She suggested that the heading for that portion of the newsletter to be "From the Board." Everyone agreed this was a good idea.

Mr. Bragg said that infrastructure is the biggest problem in the Town. He explained that the infrastructure included the old water and sewer lines and the streets. He discussed the different streets in Town that needed repair and said that before you repaired streets the infrastructure that ran through the streets needed replacing so that all could be new and not have to cut the streets up to do repairs. The Board discussed the previously completed sewer project that left the streets torn up and no money in the project for paving. Commissioner Barbour stated that the cost of doing business had no respect for the aged citizens. He said that we are a "Senior" Town and it was unfortunate that the elderly had to pay so much.

Mayor Senter stated that he believed the most heavily traveled road in Franklinton was Janice Avenue and that it was in terrible shape and needed to be moved to the top of the project list for needing repairs. Mr. Carver stated that the repairs that were needed for the streets in that area included curb & gutter and sidewalks and that equaled to a lot of money. Commissioner Barbour stated that the street was very dangerous for pedestrians walking on it. The Board decided that Janice Avenue was the top priority street and Hillsborough Street from Green Street to College Street was the second priority street.

Mr. Bragg explained that the next big piece of equipment that would require replacing was the Back hoe. He stated that he had priced them and one would probably cost approximately \$40,000 to \$50,000.

Commissioner Wright asked for the Fairview Cemetery sign to be put back up and asked Mr. Bragg when he could arrange for that to happen. Mr. Bragg said that he could have the sign back in place by the next week. Commissioner Wright thanked him.

Water Plant

Mr. Frank Efird explained that there were several meters and check valves that needed to be moved around because right now he could not effectively backwash the system. He stated the repair would cost approximately \$7,000. The Board asked why this didn't get taken care of during the water plant upgrade project and no one could answer. The decision makers for that project are no longer available. In addition, Mr. Efird said that a vacuum pump system for the raw water pump was needed and would also cost roughly \$9,000. He said that the pumps at the upper reservoir were in fair condition but one of the intakes was completely full of mud and one is partially clogged. Also, he stated that it was important that the Town purchase a bacteria monitoring system so that in case of an emergency the water could be monitored. He said that

such a system would cost about \$5,000. Mr. Efird explained that the right of ways along the outfall from the upper reservoir and the lower reservoir needed clearing.

Budget Discussions

Mr. Carver and the Board discussed the shortfalls in the current budget and discussed changes in the budget that all would like to see in order to be able to review all revenues. All agreed that they would like more clarity in the code enforcement charges, code violations, building permits and business permits. Mr. Carver stated that he would like to see the investment earnings line item zeroed out and placed as a capital cost. He explained that he would like a more detailed explanation of the NCDOT rail maintenance line item and the CSX line item. He told the Board that he would look into the contracts concerning both of these. He stated that overall the budget was overall at 67.8% for this time of the year and we were fairly on target. He and the Board discussed different line items that needed attention. The Board discussed that the Town Hall Annex was not getting cleaned enough and that we needed to budget more for next year. The Board discussed that the Town Hall Staff had lost several computers this year and that had elevated that line item. The Board charged Larry with placing personnel under the correct department in the upcoming budget year. This would put 2 people on utilities and 3 on street department. The Mayor agreed that he would sit down with the Franklinton Recreation Association and go over their needs and activities for the upcoming budget year. The Board and Mr. Carver scheduled the upcoming budget workshops for April and May. The first one was scheduled for April 27th, second for April 29th, the third workshop for May 4th, the next meeting was scheduled for May 6th, and the last workshop was scheduled for May 11th. The Mayor requested a 1st draft of the initial budget proposal in the April meeting packet so that the Board could review a head of time.

Day 2

Evergreen Cemetery Discussions

The Mayor distributed a summary of all meetings with the Evergreen Cemetery Board of Directors prior to the retreat and asked the Board to consider a proposal for taking over the maintenance and perpetual care of the Evergreen Cemetery. He stated that the Cemetery Committee had previously approached the Board with the proposal. The Mayor said that if the Town agrees to take over the perpetual care of the cemetery, maybe everyone will begin to feel a part of the Town and begin to participate in Town functions.

The Board requested Mr. Carver to draw up a contract for review by the Board for the March or April meeting for maintenance of the cemetery.

Zoning/Planning Report

Mrs. Ray explained to the Board that the biggest complaints received are from citizens concerned about the conditions of both houses and buildings in Franklinton. She said that there are several different parcels throughout Town where the dwellings are falling down and are an

eyesore for each neighborhood and for the most part they are owned by estates or people that do not live in Town and are not trying to abate the conditions. She explained to the Board the procedures that take place in order to enforce abatement and if not complied with the additional steps that leads to an actual abatement order from the court system. Mrs. Ray stated that in order to enforce the property, the Town has to be prepared to raze and remove. She said this would cost the Town legal fees and demolition fees. She asked the Board if she should prioritize the structures and budget to have one or two torn down a year?

Mr. Carver stated that code enforcement is fairly simple and all that is required is for the code enforcement officer to notify the owner and if they do not comply just write a ticket and eventually the property owner will comply. He said that he had no problem getting rid of cars, trash and debris and even houses when he worked in Warrenton. He suggested that the code enforcement officer start writing tickets as agreed upon earlier in the year. Mr. Carver said that he would work on putting together a proposal for a salvage company to work with property owners in removing their dilapidated houses. He said that he knew a company that would work with the property owner by completely removing the house to another site and fixing it up but it would mean that the owner would give the house to the company. The Board told Mr. Carver to go forward and arrange this for these properties.

The Board agreed to support the Code Enforcement department in writing citations and enforcing nuisances throughout the Town. Commissioner Wright requested that Mrs. Ray report each month the number of letters and citations written for code enforcement.

Mr. Carver stated that the ordinances were already in place and the tools were available. He said that it was up to the staff to do their jobs. Mrs. Ray explained to the Board that the Code Enforcement Officer had already written citations for various reasons throughout the Town and would continue to do so.

Mrs. Ray presented the Board with the proposed alignments of the future Franklinton By-pass which would route truck traffic around the Town from Hwy 56 to US#1 Hwy. The Board reviewed the proposed alignments and all agreed to go with the most southern route which would place an interchange connecting the by-pass with US#1 Hwy on the southern portion of the Cedar Creek property, which was previously agreed upon by the owners of the property.

Police Report

Chief John Green presented the Board with last year's reporting numbers and stated that the total calls for service had decreased by 5%. Mr. Carver said that he didn't like to see Town officers patrolling US#1 Hwy. Chief Green stated that US#1 Hwy patrolling had been greatly reduced. Chief Green explained the goals that have been set for the Police Department which included increased officer training and improving current technology.

Chief Green asked the Board to share with him their expectations of the Police Department. Commissioner Allers explained that the perception of some of the citizens was that there were Town streets that Police Officers never drove on and that encouraged people to speed in those areas. He asked Chief Green to increase the presence of the officers in Town. Chief Green

stated that he planned for the Police Department to stage areas around the Town to educate the public starting July 1.

Commissioner Barbour asked Chief Green why police cars were being driven home. Chief Green explained that the program has been very successful. Each officer takes ownership with their car and they have in turn taken greater care of their vehicles and he has seen a major reduction in the cost of maintenance for police vehicles.

Chief Green asked the Board if they were interested in applying to the Governor's Highway Safety Program which would give the Town a Police Officer and a vehicle. He explained that the program supports the total cost of both at 100% for the first year and requires for the Town to receive reduced revenue in 25% increments on a yearly basis until the Town absorbs the entire cost of the Police Officer. The Board supported the submittal of an application to the program.

Chief Green stated that FPD car 3 had been taken off line and sold. The Mayor stated that once we hire a new officer, vehicles will be limited. He said that the upcoming budget needed to reflect a car and a SUV.

Commissioner Cutchins requested the Police Department become more involved in the youth of the Town. Chief Green stated that he and the Mayor were in the process of creating a Gang Prevention Program for the youth of Franklinton.

Chief Green asked the Board if they wanted all citizens to start registering their dogs. The Board agreed that would be a good start in trying to get the animals under some kind of control in the Town. The Mayor stated that we needed to begin educating the public through all the tools available to us.

Personnel Policy

Mr. Carver and the Board reviewed the changes to the personnel policy. Mr. Carver stated that he was basically cleaning up the current policy. He explained that the cost of living adjustment percentage had been used to also adjust the pay scale for the Town. He suggested this practice to stop. The Board agreed. Mr. Carver suggested the Board eliminate the merit increase system. The Board agreed. Mayor Senter requested an amendment to the definitions to include sexual orientation and that immediate family include committed partner. The Board agreed. The Board stated they would like to see Mr. Carver designate a smoking area for all employees and that area to be placed in the rear of the building. Mr. Carver suggested the Board discontinue performance evaluations. The Board said they would like to see this continue for all employees. Mr. Carver stated that he was going to check with Hartwell Wright about drug testing Town employees. The Board reviewed their decision to no longer offer health coverage to incoming Board of Commissioners. The Board discussed extending the current holiday schedule to include 3 more days. The Board agreed. The Board directed Mr. Carver to investigate voluntary shared leave for employees. He stated that he would and report back to the Board.

Purchasing Policy

Mr. Carver and the Board discussed and reviewed the proposed purchasing policy. The Board approved of the policy. No changes were discussed. (see policy submitted by Larry Carver)

Internet Sweepstakes Businesses

Mrs. Ray and the Board discussed the sudden influx of Internet Sweepstakes Businesses throughout the state. The Board agreed the Town needed to place a moratorium on the use until an ordinance could be developed that would zone the use and provide specific regulations for the use.

There being no other business to discuss the retreat was adjourned.